

A-0156

THIS AGREEMENT OF LEASE,

made this twelfth day of March in
the year of our Lord one thousand eight hundred and ninety-
four, by and between THE ATLANTIC CABLE CONSOLIDATED MINING
COMPANY, a corporation organized and existing under and by
virtue of the laws of the State of Colorado, lessor, -and-
WILLIAM F. PATRICK, lessee,
Witnesseth.

That the said lessor, for and in consideration of the
royalties, covenants and agreements hereinafter reserved and
by the said lessee to be paid, kept and performed, has grant-
ed, demise and let, and by these presents does grant, demise
and let unto the said lessee, all of the following described
mine and mining property, situate in the Pioneer Mining Dis-
trict, County of Dolores, and State of Colorado, described as
follows, to-wit; that portion of the Smuggler Lode Mining
Claim lying east of the tracks of The Rio Grande Southern
Railroad, the western half of the Atlantic Cable Lode Mining
Claim, the Aztec Mill Site, and a parcel of ground bounded on
the north by a mill site and the Elliot Lode Mining Claim, on
the east by the Aztec Mill Site, on the south by the Atlantic
Cable and Smuggler Lode Mining Claims, and on the west by the
tracks of the Rio Grande Southern Railroad; the premises
hereby demise being indicated by and enclosed within red ink
lines on the map of the property of The Atlantic Cable Con-
solidated Mining Company hereunto annexed and which is made a
part hereof; together with the appurtenances.

TO HAVE AND TO HOLD, unto the said lessee for and during the term of three years from and after the first day of April, A. D. 1894, expiring at noon on the first day of April, A. D. 1897, unless sooner determined through the violation of any of the covenants hereinafter against the said lessee reserved. _____

And in consideration of said demise and of the covenants and agreements on the part of the said lessor hereinafter contained, the said lessee does hereby covenant and agree to and with the said lessor as follows, to-wit; _____

F i r s t . - That he will erect, at his own proper cost and expense, upon the premises hereby demised if a suitable place can be found thereon, for the same, or, if not, then upon other premises to be leased to him as hereinafter provided, a concentrating mill which shall have capacity to treat not less than twenty five (25) tons of crude ore in each twenty-four hours; the said mill to be fully completed and in operation on or before the first day of July, A. D. 1894. The time of completion of said mill is hereby declared to be of the essence of this contract. _____

S e c o n d . - That, from and after the completion of said mill, he will have treated therein not less than five hundred (500) tons of crude ore, mined and extracted from the property hereby demised, during each and every month of the term hereby granted. _____

T h i r d . - That he will enter upon said mine and premises, and work the same in mine fashion, in manner necessary to good and economical mining, so as to take out the

greatest amount of ore possible, with due regard to the development and preservation of the same as a workable mine, and to the special covenants hereinafter reserved. _____

F o u r t h . - That he will work and mine said premises as aforesaid steadily and continuously from and after the fifteenth day of April, A. D. 1894; and that any failure on his part to keep at least three (3) persons employed on said premises, either underground, or in the erection of said mill until such time as the mill is ready for operation, for the total number of seven (7) days during any one month, shall be considered a violation of this contract, and, at the option of the lessor, work a forfeiture of this lease. _____

F i f t h . - That he will well and sufficiently timber said mine at all points where proper, in accordance with good mining, and repair all old timbering whenever it may be necessary. _____

S i x t h . - That he will allow said lessor, by its agents, from time to time to enter upon and into all parts of said mine for the purpose of inspection. _____

S e v e n t h . - That he will keep the drifts, shafts, tunnels and other workings thoroughly drained and clear of all loose rock and rubbish at all times, unless prevented by extraordinary mining casualty. _____

E i g h t h . - That he will not commit any trespass by mining or extracting ore outside the limits of the property hereby devised, and for a violation of this covenant, this lease shall, at the option of the lessor, be forfeited; and that he will be responsible for any damage resulting from

any trespass committed, and hold the lessor free from any and all liability therefor. _____

W i t h . - That all ores and concentrates mined and shipped from said premises shall be sold for the highest and best price that can be obtained therefor in open market, the contracts upon such and every sale thereof to be made subject to the approval of the said lessor. And that he will deliver to the said lessor, as rent or royalty for the use of said devised premises, the following percentages of the net returns from all ores and concentrates mined and shipped from said devised premises, to-wit;- upon all ores and concentrates netting less than Twenty five dollars (\$25) per ton, ten (10) per cent of the net returns therefrom; upon all ores and concentrates netting Twenty-five dollars (\$25) and over but not more than Fifty dollars (\$50) per ton, fifteen (15) per cent of the net returns therefrom; and upon all ores and concentrates netting over Fifty dollars (\$50) per ton, twenty (20) per cent of the net returns therefrom; the royalty upon each lot sold to be left with the purchaser, for account of and to be collected by the lessor, and duplicate returns of all ores and concentrates sold to be sent to said lessor. _____

T e n t h . - That he will deliver to said lessor said premises, with the appurtenances and all improvements in good order and condition, with all drifts, shafts and tunnels thoroughly clear of loose rock and rubbish and drained, and the mine ready for immediate continued working (accidents not arising from negligence alone excusing), without demand

or further notice, at the expiration or determination of the term of this lease, or any extension thereof, by lapse of time or otherwise. _____

And the said lessor, in consideration of the covenants and agreements hereinbefore contained on the part of the said lessee, hereby covenants and agrees to and with said lessee as follows, to-wit; _____

F i r s t . - That, if a proper and sufficient site for the mill hereinbefore agreed to be erected by said lessee cannot be found upon the premises hereinbefore devised, it will grant, devise and let unto the said lessee a parcel of ground upon which he shall erect said mill and use as a dumping grounds for the same, which shall be chosen by the said lessor and be suitable and convenient for said purposes, at a yearly rental of Ten dollars (\$10). _____

S e c o n d . - That, should the said lessee, at or before the expiration of two years from and after said first day of April, 1894, increase the capacity of said concentrating mill to be erected by him as hereinbefore provided, to not less than two thousand (2,000) tons of crude ore per month, it, (the said lessor) will execute and deliver to the said lessee a proper and sufficient extension of the term hereby granted for two years from and after the date of the expiration of this lease, that is to say, - two years from and after the first day of April, 1897; reserving the same rents, royalties and covenants as in this lease reserved, except, however, that the said extension shall be upon the express

condition, that the said lessee shall keep the capacity of said mill at two thousand (2,000) tons of crude ore per month and shall have treated therein that amount of ore from the property demised during each and every month of the term so granted and extended. _____

And the parties hereto hereby mutually agree to and
with each other as follows, to-wit; _____

F i r s t . - That all machinery and buildings placed or erected on said demised premises shall be and remain the property of the said lessee, but the said lessor shall have the exclusive option to purchase said improvements and machinery at a price to be agreed upon between the parties; which said option to purchase shall be exercised and notice of desire to purchase given by said lessor to said lessee before the expiration of the term hereby granted, or of any extension thereof. That, should the said lessor not desire to purchase, or should the parties be unable to agree as to the price to be paid for said improvements, then the said lessee shall have ninety (90) days from and after the expiration or determination of the term hereby granted or of any extension thereof, within which to remove the same. _____

S e c o n d . - That upon the violation of any of the covenants hereinbefore reserved, the term of this lease shall, at the option of the said lessor, expire and be determined, and the same and said premises, with the appurtenances shall become forfeited to the lessor; and said lessor, or its agent, may thereupon, after demand of possession in writing,

enter upon said premises and dispossess all persons occupying the same, with or without process of law; or, at the option of the said lessor, the said lessee and all persons found in possession may be proceeded against as guilty of unlawful detainer. _____

T h i r d . - That the property and right of property in and ^{to} all ore and mineral mined and extracted from the premises hereby demised, shall be and remain in the said lessor and is hereby reserved to it. _____

F o u r t h . - That each and every clause and covenant of this agreement of lease shall extend to the successors and assigns of the said lessor and to the executors, administrators and assigns of the said lessee. _____

I N W I T N E S S W H E R E O F , the said lessor has caused these presents to be signed by its Vice-President and its corporate seal to be hereunto affixed, attested by its Secretary, and the said lessee has hereunto set his hand and seal; all done the day and year first above written. _____

THE ATLANTIC CABLE CONSOLIDATED MINING COMPANY,
by

J. Weston
Vice-President.

Attest;

Y. F. Neely
Secretary.

William F. Patrick
Lessee.

PLAT OF THE PROPERTY
OF THE

Atlantic Cable Consolidated
Mining Company

RICO, COLORADO.

Main Offices, Boston Building,

DENVER, COLO.

